

AN ACT

ENTITLED, An Act to clarify certain prohibitions against direct or indirect benefit by members of the Investment Council.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 4-5-14 be amended to read as follows:

4-5-14. The members of the State Investment Council shall be qualified by training and experience in the field of investment or finance. During tenure as a member of the State Investment Council, no member of the council nor the firm of any member may engage in the sale of marketable or public securities to the state or to any fund thereof. Nor may any member benefit directly or indirectly from any transaction made by the state investment officer. Nor may any member hold any office, position, or employment in any political party. Except as provided in section 2 of this Act, the council may not enter into any contract or transaction with any firm or business in which a council member serves as a principal, shareholder, trustee, director, officer, employee, agent, or independent contractor.

Section 2. That chapter 4-5 be amended by adding thereto a NEW SECTION to read as follows:

The provisions of this Act do not prohibit a transaction that:

- (1) Affects the public generally, and the council member's personal interest is only affected by virtue of being a member of the general public; or
- (2) Affects participants in the South Dakota Retirement System generally, and the council member's personal interest is only affected by virtue of being a participant in the South Dakota Retirement System; or
- (3) Involves the acceptance of deposits under a statewide certificate of deposit program made generally available to South Dakota financial institutions or the sale of interests in the South Dakota Higher Education Savings Program authorized pursuant to chapter 13-63 even though the council member has an interest as a principal, shareholder, trustee,

director, officer, employee, independent contractor, or advisor of a financial institution or firm that would accept such deposits or sell such interests, if the council member has disclosed such interest in such financial institution or firm to the council.

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I certify that the attached Act
originated in the

SENATE as Bill No. 30

Secretary of the Senate
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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 30
File No. _____
Chapter No. _____

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Received at this Executive Office
this _____ day of _____ ,

20____ at _____ M.

By _____
for the Governor
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The attached Act is hereby
approved this _____ day of
_____, A.D., 20____

Governor
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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State